

NEWS RELEASE from

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FOR IMMEDIATE RELEASE

Lipinski Introduces the National Rail Infrastructure Program

[WASHINGTON, DC] - Today, Congressman Bill Lipinski announced his introduction of the National Rail Infrastructure Program, bipartisan legislation that would help fund the growing demand for rail infrastructure improvements. The bill would fund these improvements through various funding streams including a reallocation of the 4.3 cent-per-gallon diesel-fuel tax that railroads currently pay into the General Revenue fund, a reallocation of a portion of the current customs duties, and additional taxes on new rail cars. The total revenue stream would amount to just over \$3 billion per year.

“In today’s business economy, time is money. The inefficient flow of freight through our nation is a chokepoint resulting in economic losses that are realized from Los Angeles to New York City. Our communities are also impacted. Traffic backups, idling trains, grade crossing incidents, and other safety issues affect our citizens’ quality of life.”

A January AASHTO (American Association of State Highway and Transportation Officials) report cites that growth in domestic and international freight tonnage is expected to grow 67 percent by 2020. If the federal government does not take a greater role in directly financing railroad infrastructure projects that have public and private benefits, our national rail system will only be able to handle the same amounts of freight volume in 2020 as it handles today. The result will mean a shift of 900 million tons of freight onto our interstate system, adding a \$21 billion need to highway costs in the next seventeen years. Rail is the more logical way of absorbing the growth in freight traffic, allowing for congestion relief on our road network, cost benefits to shippers and better air quality for all Americans.

“The status quo is not acceptable. In order to sufficiently fund our country’s freight rail infrastructure needs, the federal government ought to create a new, significant and reliable stream of funds for rail projects. This legislation would do just that. Just as there is a Highway Trust Fund and an Aviation Trust Fund, we should enact the National Rail Infrastructure Program. This program would provide a steady and predictable source of funding, so that states and localities can more effectively plan long-term capital rail projects - projects that can benefit not only freight rail systems, but passenger rail and commuter rail systems too.”

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